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Chair: Mr. Berger ..... (Germany)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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The meeting was called to order at 10.20 a.m.

Statement by the President of the General Assembly

1. **Mr. Jeremić** (President of the General Assembly) said that, while recognizing that the quantity and complexity of the Committee's agenda often led to lengthy deliberations, he wished to urge its members to strive for consensus and conclude the programme of work as scheduled. He recalled that rule 153 of the rules of procedure of the General Assembly established that proposals with programme budget implications should not be brought to a plenary meeting of that body without prior review by the Fifth Committee, and fully supported the Committee's role in that regard.

2. Human resources management initiatives should seek to increase the efficiency of the Organization without sacrificing the quality of its work. The Committee's past decisions had resulted in the implementation of a new contractual framework, better conditions of service in the field and more effective staff recruitment. With regard to the Secretary-General's proposal on mobility, he hoped that the Committee would make decisions on the basis of the key objectives of the human resources reform process. While the austere economic climate demanded carefully balanced budget allocations, he encouraged the Committee to ensure that human-resources-related initiatives, including those connected with oversight functions, would be adequately funded.

3. He sympathized with the Member States' concerns regarding the financial aspects of the capital master plan and affirmed the importance of completing the remaining stages of the project as scheduled and within the allocated budget. With regard to deliberations on the scale of assessments, he urged Member States to take into account the Organization's needs while remaining conscious of different States' capacity to meet their financial obligations in a timely way.

4. Being from a region in which United Nations peacekeepers had maintained an important presence for some time, he remained convinced of the essential role of peacekeeping operations in maintaining peace and security in the world and expressed his gratitude to troop-contributing countries as well as peacekeepers working on the ground. He urged Member States to work in the spirit of compromise during the deliberations on the scale of assessments for peacekeeping operations and the modalities for reimbursement to troop-contributing countries, which would take place during the resumed part of the sixty-seventh session of the General Assembly in May 2013.

5. In connection with the process of revitalizing the General Assembly, it was critical that the Office of its President should be allocated sufficient resources, as, under current practice, the Government of President's country of nationality bore most of the burden of funding the Office, discouraging many small and developing States from putting forward candidates. He urged the Committee to consider increasing the budget allocation for the Office, beginning with the sixty-eighth session of the General Assembly, to enable Member States with smaller national budgets to participate.

6. **The Chair** recalled that the unexpected closure of United Nations Headquarters following Hurricane Sandy had delayed the Committee's work and said that the Committee would strive to make progress in its deliberations in the coming weeks.

Agenda item 130: Programme budget for the biennium 2012-2013 (*continued*)

Enterprise resource planning (A/67/164, 360 and 565)

International Public Sector Accounting Standards (A/67/168, 344, 345 and 564)

7. **Mr. Takasu** (Under-Secretary-General for Management), introducing the fourth progress report of the Secretary-General on the enterprise resource planning project (A/67/360), said that the project, known as Umoja, was at the centre of initiatives aimed at improving management, led by the Secretary-General and endorsed by the General Assembly. However, the General Assembly, after expressing concerns regarding project governance and implementation delays at its sixty-sixth session, had asked the Board of Auditors for a comprehensive audit. The Secretariat has accepted all of the Board's recommendations and was taking action in response. Both the Board and the Advisory Committee had noted that the Board's findings and recommendations covered the period from April 2011 to April 2012, and that significant remedial measures had been taken since that time.

8. The report had been prepared following a transparent reassessment of the project's scope, status, cost estimates, timetable and benefits. The Administration had been guided by the belief that the success of Umoja was vital to achieving a unified and global Organization and had taken into account the financial constraints being faced by Member States with the goal of delivering the maximum return on their investment.

9. With regard to the project's governance, upon assuming his functions as Under-Secretary-General for Management in May 2012, he had taken on the roles of Chair of the Umoja steering committee and project owner. In addition, by a decision of the General Assembly effective 1 July 2012, the post of Project Director had been upgraded to the level of Assistant Secretary-General; Mr. Ernesto Baca had been appointed to the post on 1 September 2012. The terms of reference of the five process owners had been clarified to better define their accountability and roles.

10. In terms of project deployment, an entity-by-entity approach to the project had been adopted and its timetable had been adjusted. The functional scope of Umoja would henceforth be divided into three parts: Foundation, Extension 1 and Extension 2. Umoja Foundation and Extension 1, which included transactional processes related to the International Public Sector Accounting Standards (IPSAS), would be introduced in mid-2013 and deployed across the Secretariat by the end of 2015. The design blueprint and baseline of Extension 2, which included more strategic functions like planning and programming, would be finalized and validated by the end of 2015; the related processes would be built and deployed by 2018. The Secretary-General was committed to implementing the full scope of the Umoja project and agreed with the Advisory Committee that full implementation was paramount to gaining the full benefits of the new business model.

11. The estimated cost of complete deployment and stabilization of Umoja Foundation, Extension 1 and the design blueprint and baseline of Extension 2, up to 2015, on the basis of the revised deployment timetable, was $348.1 million, $32.3 million over the approved amount of $315.8 million; the building and deployment phases of Extension 2 would require additional funds. As recommended by the Advisory Committee, the Secretariat would explore all options for accelerating the delivery of the project, including Extension 2, and would provide estimates of the resources required to implement the full scope of the project and future costs for operating, maintaining and upgrading the system.

12. Starting in January 2013, Umoja would start using NOVA, a system to track core budget expenditures and the corresponding deliverables. A working group led by the Controller would review and validate the indirect costs of associated processes, such as data cleansing, user testing and training. The Secretariat would strive to complete such tasks through redeployment within existing resources.

13. Based on the revised deployment timetable, the estimated potential benefits of Umoja, effective 2017, were between $80 million and $150 million per year. After the deployment and stabilization of Extension 2, a further $60 million to $80 million per year could be saved, resulting in a combined benefit of between $140 million and $220 million in 2019. Potential benefits should not be viewed as budget savings until Umoja had been fully deployed, however.

14. The Organization's activities were diverse and dispersed around the world, and involved different working models and practices, presenting great challenges to the implementation of an enterprise resource planning system. As a result, the most serious risk factor affecting implementation of the project was organizational readiness, given that the Secretariat was migrating to Umoja from multiple business models and its various component entities were at varying stages of readiness to adopt it. There was no precedent for such a major transformation of methods at the United Nations. However, the project leadership staff were fully committed to its successful completion, with the understanding and support of Member States. The General Assembly was being requested to approve the revised deployment strategy and timetable and to note the revised resource requirements for 2012 and the proposed requirements for 2013. No additional appropriation for the current biennium was being requested.

15. **Ms. Casar** (Controller), introducing the fifth progress report of the Secretary- General on the adoption of International Public Sector Accounting Standards (IPSAS) (A/67/344), said that the report described progress in implementation across the United Nations system during the period from 1 September 2012 to 31 August 2012, including a detailed outline of implementation within the Secretariat. The report also

described the Secretariat's response to the key concerns set out in the second progress report of the Board of Auditors on the implementation of IPSAS (A/67/168).

16. At the level of the United Nations system, external auditors had given the IPSAS-compliant financial statements for 2011 of 11 organizations an unqualified audit opinion. The ten organizations implementing IPSAS in 2012 had all reported that their implementation was well under way. At the Secretariat, the first objective was to apply IPSAS to peacekeeping operations from 1 July 2013, with a view to delivering IPSAS-compliant financial statements for 2013/14 by 30 September 2014. For all other Secretariat operations, IPSAS-compliant operations would begin on 1 January 2014, leading to the preparation of financial statements for 2014 by 31 March 2015. The report addressed the challenges in meeting those deadlines as well as the concerns expressed by the Board of Auditors, the Advisory Committee and the General Assembly.

17. Preparation for IPSAS implementation had focused on project management, risk management and change management. The Management Committee monitored the project, including its linkages to the Umoja project, while the IPSAS Steering Committee continued to use a risk-management approach to steering the project. Project management tools had been deployed to enable over 45 teams throughout the Secretariat to monitor their local efforts and report back to the central project management at the Office of Programme Planning, Budget and Accounts which, in turn, reported to the IPSAS Steering Committee and the Management Committee.

18. IPSAS implementation strategies and plans had been continually adapted over the previous seven months as the deployment strategy and plans for the Umoja project had evolved. The Board of Auditors had determined that the IPSAS approach was sensible and feasible, stressing the need for a very well-designed and executed strategy. Because the Umoja and IPSAS projects were critical, and because of the risks attached to their implementation, a joint, external validation of the IPSAS transition plans had been undertaken as part of both projects. With a more concrete Umoja deployment plan in place, the implementation plans for the two projects were being progressively combined so as to ease users' adaptation.

19. Introducing the report of the Secretary-General on the proposed revisions to the Financial Regulations of the United Nations to support the adoption of IPSAS (A/67/345), she noted that the proposed revisions, which were accompanied by explanations of the proposed changes, had already been submitted to the General Assembly for its approval. The new Financial Regulations would be promulgated by the Secretary-General following the General Assembly's approval of the changes. The proposed changes were the result of collaboration led by the IPSAS team and had been reviewed by, among others, the Office of Legal Affairs, the Office of Internal Oversight Services and the Board of Auditors. The proposed revisions to the Financial Regulations were organized into twelve broad categories, summarized in paragraphs 6 to 20 of the report.

20. She drew the Committee's attention to paragraphs 17 and 18 of the report, which dealt with the effect of the annual audit of financial statements on the programme of work of the Fifth Committee, the Advisory Committee and the General Assembly, and also on the Secretariat and the Board of Auditors. Work remained to be done to prepare for the effects of an annual audit.

21. The complexity and size of United Nations operations, combined with the information technology systems environment and the delayed roll-out of Umoja, made the implementation of IPSAS very challenging. The Administration was determined to synergize implementation of Umoja and IPSAS and ensure the necessary support from senior management for the projects in order to guarantee their timely implementation. As noted by the Board of Auditors, any further delays in implementation would lead to greater cost and damage to the Organization's reputation. While acknowledging the high risks attached to the project, the Secretary-General remained resolutely committed to implementing IPSAS by 2014.

22. **Mr. O'Farrell** (Director of External Audit, Audit Operations Committee, United Nations Board of Auditors), introducing the second progress report of the Board of Auditors on the implementation of IPSAS (A/67/168), said that the system-wide adoption of the IPSAS accruals-based accounting system would provide Member States with a better overview of the financial position of United Nations entities and better information to ensure cost-effective decision-making and long-term financial sustainability.

23. The ultimate measure of the success of IPSAS implementation was delivery of the intended benefits. In its first report on the subject (A/66/151), the Board had recommended that all United Nations entities should establish clear plans for the achievement of such benefits. There had been limited progress in that area. The delivery of benefits must be actively managed alongside technical delivery.

24. The United Nations IPSAS implementation team had worked closely with the Board to achieve the near completion of the IPSAS accounting policy framework, which would serve as a practical guide for staff. Much had also been done to develop a detailed implementation strategy, as the Board had recommended in its previous report. Despite the progress made, the Board considered that the degree of risk attached to successful implementation of IPSAS within United Nations peacekeeping operations by mid-July 2013 and within the United Nations by January 2014 continued to be high. Significant tasks, such as data collection and cleansing, were not yet completed.

25. The shape of the IPSAS implementation strategy to be adopted had been uncertain for a period. Initially, there had been plans to abandon Umoja as the basis for implementation at the United Nations and substitute a hybrid approach, combining partly developed Umoja systems and existing systems, including the Integrated Management Information System (IMIS), the Organization's existing core financial system. Then, during the period covered by the report, it had been decided to transition away from IMIS and towards Umoja at different times: October 2013 for peacekeeping operations and January 2014 for the United Nations in general. The risks and feasibility of the latest proposed approach had not been fully evaluated. Noting that the Board had previously strongly recommended the finalization of a detailed IPSAS implementation strategy, he noted that such a plan must also be fully updated to reflect the Administration's recent decisions.

26. There was a risk that the difficulty of gathering timely, accurate, complete and reliable IPSAS-compliant accounting data from locations around the world would lead to implementation deadlines being missed. Another risk was that the ability to introduce non-IMIS accounting data using manual methods would increase human error and therefore affect the completeness and accuracy of the large volumes of data, particularly given that generating new data to ensure compliance with the more demanding IPSAS standards presented challenges. Lastly, the Board had noted a lack of clarity concerning the provision of funding and resources for IPSAS implementation outside Headquarters, concluding that there was a significant risk that progress would be affected if local implementation teams lacked appropriate resources.

27. The seven United Nations funds and programmes were on schedule to implement IPSAS in 2012 and to produce IPSAS-compliant financial statements in early 2013. That had been achieved thanks to the involvement and support of senior management, the availability of suitable enterprise resource planning systems and the timely preparation of accurate basic accounting data. Nevertheless, many entities still needed to complete collection and cleansing for all key accounting data; conduct tests using real accounting data, and establish benefit realization plans. The Board recognized that the appropriate management staff were aware of, and were addressing, outstanding issues. Successful IPSAS implementation was at greater risk at the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), because of the particular challenges with basic systems faced in its first year of operations. However, the situation could be remedied with the engagement of senior managers.

28. Introducing the first annual progress report of the Board on the implementation of the United Nations enterprise resource planning system (A/67/164), he recalled that the objective of the Umoja project was to simplify a wide range of administrative practices and provide the United Nations with accurate data that would facilitate quicker decision making, better service delivery, improved programme planning and measurement of results. The project was a very complex and challenging transformation exercise, encompassing many entities beyond the Secretariat itself. The Board was concerned that the existing plans covering the scope, budget and timetable for the project were highly optimistic and imprecise; it was therefore unable to provide any assurance that the project could be delivered on time and within budget. Many of the problems encountered were avoidable and were a sign of weak project governance and management, as well as a more profound weakness in the Organization's ability to affect meaningful business transformation.

29. The Administration had not been approaching the implementation of Umoja as a business transformation project and had not devised any plans or strategies to manage change and embed more efficient working practices across the Organization. In order to achieve the intended benefits of Umoja, the Organization must introduce new working methods and adapt staff working practices, roles and responsibilities. Moreover, no efforts had been made to determine the scale and cost of the retraining programme required to reorient staff time activities with greater value-added benefit.

30. The insufficiently detailed monitoring and analysis of project costs against clear budgets and deliverables indicated that the Administration was unable to manage project resources effectively. It had been unable to determine what the expenditure of $123 million since the project's inception should have achieved, and could not say whether the project was under or over budget. There was no detailed plan to establish the tasks needed to achieve the project goals. As a result, delays had accumulated unnoticed or had been accepted in the belief that they could be absorbed within the overall project timetable.

31. The Administration's implementation timetable was unlikely to be achievable and its reported anticipated final cost was not reliable. Umoja was likely to be delayed further because the design of the system had not been completed on schedule. The revised timetable had no contingency to absorb delays and made no allowance for further delays owing to complications that were likely to occur during implementation.

32. The Administration had not been able to provide the Board with robust supporting evidence for the project's anticipated final cost of $315.8 million, as first estimated in October 2009 and unchanged since that time despite the two-year extension of its implementation timetable. The Administration's cost forecast had also failed to reflect the impact of significant delays and changes to the project implementation approach.

33. The project's governance arrangements also lacked clear lines of accountability and were not conducive to transparent and effective decision-making. The Board considered that the Steering Committee had provided insufficient critical input on the feasibility of cost and progress reporting, and of proposed actions. In addition, the project had not had a senior responsible owner until April 2012.

34. Given the challenging scope of the Umoja project, the Board considered that the implementation timetable had been too ambitious from the outset, in particular the goal of simultaneous implementation in all locations and entities. The Board believed that the Administration had formulated the strategy without undertaking a proper assessment of the existing business structure and had not taken due account of the wider inter-dependencies with other transformation projects, such as the implementation of IPSAS.

35. It should be noted that the report covered the period between April 2011 and April 2012; since that time, the Board had been reassured by the acceptance of all of its recommendations and by the earnest acceptance of its concerns by the Management Committee and the new project director. In its report, the Board acknowledged the actions being taken by the Administration, while at the same time stressing the need for decisive action to restore the project schedule.

36. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the enterprise resource planning project (A/67/565), said that, when considering the Secretary-General's progress report on Umoja (A/67/565), the Advisory Committee had also had before it the related report of the Board of Auditors (A/67/164). The Advisory Committee was satisfied with the scope and depth of the Board's audit, which provided the General Assembly with an independent assessment of the implementation of the Umoja project and clarified the key issues of concern in managing major business transformation projects.

37. While welcoming the actions taken to address the governance and leadership issues faced by the project — including the assumption by the Under-Secretary-General for Management of his role as Chair of the Steering Committee and project owner and the recent appointment of an Assistant Secretary-General/Umoja project director — the Advisory Committee stressed that much remained to be done to instill across the Secretariat a sense of ownership and proper accountability for the success of the project. The Advisory Committee also urged the Secretary-General to establish a detailed project plan and to introduce, without delay, robust project management tools and

methods for measuring progress achieved against the project plan and actual utilization of resources against budget estimates.

38. Concerning the revised deployment strategy and timetable proposed in the Secretary-General's report, the Advisory Committee drew attention to the planned division of Umoja Extension into two stages: Extension 1, which, together with Umoja Foundation, would include transactional and IPSAS-related processes, and Extension 2, which would cover more strategic functions, including planning and programming, supply chain management and budget formulation. The Advisory Committee strongly believed that it was in the best interest of the Organization that the full scope of the Umoja project be delivered, as approved by the General Assembly in its resolution 63/262, given that the poor coverage under existing systems of the strategic functions now relegated to Extension 2 had been a major factor in the decision to shift to an enterprise resource planning system. The Advisory Committee cautioned against any approach that would essentially only achieve a costly replacement of IMIS and perpetuate the weaknesses of the current outmoded and stand-alone information and communications technology systems. The full implementation of the project was paramount to averting such a risk, realizing the intended benefits of the project and protecting the investment already made by Member States.

39. The Advisory Committee questioned the rationale behind the Secretary-General's proposal to replace the Umoja project team with a "Umoja centre of excellence" in 2016, after deployment of Extension 1 but before the project had been fully implemented. The authority and leadership of the project's governance and management structures was necessary to delivering the complex business transformation. The Advisory Committee was therefore concerned that the premature dismantling of the project team presented risks that Extension 2 would not be implemented effectively. The project team should be maintained until completion of Extension 2, without precluding necessary adjustments to the size and composition of the team and to provide most of the required expertise from within the Organization.

40. The Advisory Committee noted the prospect that the timetable for the deployment of the entire system would be lengthened by a further three years, to 2018, and the costs of the project would escalate from the $315.8 million approved for the project to some $348.2 million for implementing only the first two phases of the system. In view of the frequent revisions made to the project implementation strategy, timetable and costs, the Advisory Committee urged the Secretary-General to ensure that a realistic and workable plan that could be followed through to successful completion was in place. The Advisory Committee expected that the Secretary-General would take all steps necessary to ensure that the project did not suffer further delays and that project resources were utilized efficiently and effectively. It further recommended that the Secretary-General should be requested to seek all options for accelerating the delivery of the project, including Extension 2, at a lower cost.

41. Noting the Secretary-General's view that organizational readiness was the most significant determinant of whether Umoja could be completed on schedule and within budget and the views of the Board of Auditors on the complex nature of Umoja as a business transformation initiative, the Advisory Committee recognized the challenges and risks posed by the scale and scope of the project, as well by the disparity in the business models. Successful implementation would depend largely on the quality and thoroughness of preparatory work and the state of readiness for deployment of the system of the various United Nations entities. The Advisory Committee encouraged the Secretary-General to continue to develop a common methodology and systematic approach for identifying and planning preparatory activities.

42. While the Secretary-General had indicated that the project budget covered the direct costs of Umoja's design, development and implementation, indirect costs for activities required prior to deployment, such as data cleansing and end-user training, were, in principle, part of the direct operational responsibilities of the implementing entities. Having been informed of the establishment in July 2012 of a working group to identify all preparatory activities and indirect costs, the Advisory Committee supported the approach proposed by the Secretary-General to identify which costs were to be borne by the implementing entities and which were to be attributed to the Umoja project budget. The Advisory Committee's conclusions and recommendations on the Secretary-General's proposals for the Umoja project were contained in paragraph 95 of its report.

43. Introducing the fifth report of the Advisory Committee on the adoption of IPSAS by the United Nations and proposed revisions to the Financial Regulations (A/67/564), he cautioned that, while the immediate focus should be on establishing systems capable of generating the accounting data required to produce IPSAS-compliant financial statements within the established timeframe, equal attention should be given to planning for the delivery of all of the intended benefits of IPSAS.

44. All necessary measures must be taken to ensure correct opening balances in the preparation of IPSAS-compliant financial statements. In that connection, the Advisory Committee expressed concern about the way in which existing field-based systems handled property management, particularly the verification of assets. Expressing renewed concern at the risks to the timely realization of IPSAS benefits posed by the prolonged delays in Umoja implementation, the Advisory Committee acknowledged the contingency measures being put in place by the Secretariat in the form of temporary adaptations of existing systems and the use of alternative manual methods, but doubted the ability of such solutions to deliver complete, accurate and consistent data.

45. Noting the information provided regarding the projected cost overrun of the IPSAS project budget, the Advisory Committee expected efforts to absorb additional costs within approved resources to be made before the submission of any request for additional funds. It had again pointed out the likelihood of an increased workload for the Advisory Committee, the Fifth Committee and the General Assembly as a result of the extra volume of information generated following the implementation of IPSAS implementation, and repeated its recommendation that the General Assembly should consider those implications as a matter of priority.

46. With regard to the proposed revisions to the Financial Regulations of the United Nations in preparation for the adoption of IPSAS, the Advisory Committee commended the Secretary-General for consulting with the relevant entities throughout the process. However, it took the view that the proposed regulation 4.19, pertaining to the treatment of interest on voluntary contributions, should be further analyzed. The Advisory Committee welcomed the amendment of the Financial Rules to allow the use of electronic data interchange as a means of expanding the reach of the procurement process, on the understanding that the method would supplement, and not replace, the submission of bids and proposals in hard copy. Lastly, the Advisory Committee trusted that the Secretary-General would ensure that the Financial Regulations and Rules would remain in compliance with IPSAS and, where appropriate, would remain harmonized with those of other United Nations system organizations.

47. **Mr. Mihoubi** (Algeria), speaking on behalf of the Group of 77 and China, said that the Group had always supported management reforms aimed at improving the Organization's efficiency, effectiveness, transparency and accountability, including through better financial reporting on assets, liabilities, revenue and expenses, and through improved controls and processes. Recalling the adoption by the General Assembly in July 2006 of resolution 60/283, in which it had endorsed the Secretary-General's proposals for the introduction of an enterprise resource planning system and the adoption of IPSAS, he said that the Group had noted with deep concern the conclusions of the Board of Auditors regarding the lack of a comprehensive assessment of the capacity to deliver multiple transformation programmes, the required sequence of actions or the interdependence with other major projects including the capital master plan and the Global Field Support Strategy. It requested the Secretariat to provide more information on those issues, in order to avoid a recurrence of such problems. However, it welcomed the acceptance of and follow-up to the Board's recommendations.

48. The Group had also noted the conclusions of the Advisory Committee and wished to point out that the current revision of the Umoja implementation arrangements, the third in four years, would cause delays and cost escalation. It would request additional scheduling and financial information in order to ensure that the project was implemented on time and without additional costs. Mindful of the lessons to be learned from the handling of tropical storm Sandy's effects, the Group would seek from the Secretariat further information on the business continuity and organizational resilience components of Umoja, to see how they could be improved to forestall future problems and disruption of the Organization's global activities. Finally, it wished to stress the importance of all staff being trained to use IPSAS prior to introduction, and to maintain Umoja on its completion.

49. **Mr. Dettling** (Switzerland), speaking also on behalf of Liechtenstein, said that the Umoja project, which one year previously had seemed destined to fail, had been given renewed impetus by the Secretary-General's prompt and effective response to the concerns of the Member States. Given the challenges still ahead, the Secretary-General should persevere in those efforts.

50. The success of technology-intensive large business transformation projects depended first and foremost on users' acceptance of the new systems and processes involved. Users should therefore be involved at an early stage and strategies should be developed to mitigate any resistance. The two delegations wished to learn more about how the Secretariat planned to support what was a major cultural change in its business practices. The success of such projects also depended on a clear definition of desired outcomes and the associated organizational changes. It was unfortunate that such matters had not been adequately considered from the outset of the project. Without the blueprint for change that the Board of Auditors had so pertinently indicated was absent, the Organization might miss out on potential benefits from Umoja. The technical delivery of a business transformation project was less important than the full realization of its intended benefits, so clear benefits realization plans were needed for Umoja and IPSAS, and the latter's effect on the workload of the Advisory Committee and the General Assembly should not be ignored. The two delegations would like more information in that regard.

51. Although they were well aware that the subject of information and communication technology was not on the Committee's agenda for the current session, Switzerland and Liechtenstein recalled the decision of the General Assembly in 2011 that no major information and communication technology projects should be considered until Umoja was implemented, which, according to the revised timetable, would not be until 2018. Consequently, they would welcome an informal briefing at the current session on the activities of the Office of Information and Communication Technology, given its role in modernizing the Organization and improving its efficiency.

52. **Mr. van den Akker** (Observer for the European Union), speaking also on behalf of the acceding country Croatia, the candidate country the former Yugoslav Republic of Macedonia, and the Stabilization and Association Process countries Albania and Bosnia and Herzegovina, said that the member States of the European Union had always staunchly supported Umoja and its potential for business transformation in the United Nations system, and continued to believe that, if fully implemented in accordance with the decisions made by the General Assembly in its resolution 63/262, it would enable high quality and cost-effective delivery of services.

53. Noting the concerns of the Advisory Committee and the Board of Auditors, they believed that strong leadership was essential to restore confidence in the Secretariat's ability to manage and deliver Umoja successfully. They welcomed the fact that the Under-Secretary-General for Management had become the project owner and was fully accountable for implementation of the project and achievement of its benefits. However, they intended to consider carefully Umoja's new timetable, funding requests and indirect costs, which they believed should be absorbed by the departments concerned. The Organization's senior management should monitor the progress of the project continuously, to ensure the implementation of all Advisory Committee and Board of Auditors recommendations. Delays in the Umoja timetable not only risked delaying the achievement of the project's expected benefits, but also had an impact on other initiatives carrying financial and operational implications for the Organization.

54. The progress made with the introduction of IPSAS in the United Nations system was welcome. As the Secretary-General had indicated, determining accurate opening balances was a substantial challenge for the organizations concerned. Producing IPSAS-compliant financial statements from the legacy systems, including IMIS, would require workaround solutions entailing some cost. The new emphasis on local implementation rather than policy and central planning was a positive step.

55. The aim for the longer term should be to build a truly global Secretariat with standardized, location-independent service delivery, facilitated by a harmonization of processes and a shared information technology platform. That in turn would provide opportunities for greater transparency and oversight, and more cost-effective ways of working. Both Umoja and IPSAS were critically important to the achievement of that future model.

56. **Mr. Genest** (Canada), speaking also on behalf of Australia and New Zealand, said that the delegations of Australia, Canada and New Zealand, believing that Umoja was the key instrument for transformation and modernization in the Organization through more efficient and effective management of human, financial and physical resources, appreciated the candor of the overviews of its progress provided by the Secretariat at the current meeting and the informal meeting of the Committee held on 8th October 2012. It was positive that the Under-Secretary-General for Management had been assigned ownership of the project.

57. Recalling that the General Assembly, in its resolution 66/246, had called for immediate action to address the governance crisis and cost overruns affecting Umoja, the three delegations welcomed the effective response of Umoja managers to Member State requests for clear lines of authority and accountability, and their willingness to increase transparency and improve communication with the Member States. That would help to restore the Member States' trust in the project and its ability to deliver demonstrable and quantifiable results and benefits, and therefore their readiness to lend it their continued support.

58. While the managers who had simply presented a careful and reasoned analysis of how to place the project back on its intended course did not deserve blame for the current situation, the further delays introduced by earlier setbacks, and the consequent need for reorganization and additional resources, were a matter of concern to the three delegations. Although they appreciated the caution contained in the fourth Umoja progress report (A/67/360) that the project's potential benefits should not be considered in the formulation of budgets until after its full deployment, and that the assumptions underlying implementation must be validated over time, they reminded the Secretariat that the potential benefits had been the prime motivation behind the Member States' support of the project since its inception. They therefore expected timely, clear and detailed statements of results and benefits, including cost savings, as implementation progressed.

59. As suggested in the fourth Umoja progress report, the three delegations believed that indirect costs should be absorbed by the beneficiaries of the greater efficiency made possible by the project. Such an approach would promote greater commitment and responsibility on the part of the end-users of Umoja and could prevent a recurrence of the type of problems already experienced with the associated costs of the capital master plan.

60. **Mr. Ono** (Japan) said that his delegation was encouraged by the improvements made to the governance structure of the Umoja project, which, in its view, should be delivered in full. The revised deployment strategy and timetable were practical under the current circumstances. Costs should be closely monitored, so that each phase could be completed as intended. The success of a business transformation project of Umoja's scale also depended on organizational readiness across the entire Secretariat, on strong leadership by the Secretary-General and on the appropriate authority being given to the project owner, project director and process owners.

61. As a result of their own serious financial difficulties, the Member States were examining carefully the budget outline for the 2014-2015 biennium. Japan would like further details of the Umoja resource requirements for the years concerned, in order to enable the General Assembly to judge whether or not they were appropriate. It supported the initiative of the Secretary-General to ask all user departments to absorb Umoja's indirect costs within their existing budgets. It would like further details of the benefits of Umoja in terms of staff costs, including benefits expected from the decommissioning of existing systems, and urged the Secretariat to reflect expected savings from the project expeditiously in the budget.

62. While it attached great importance to the timely delivery of the full scope of the Umoja project, Japan believed that the size and composition of the project team should be aligned with the requirements of each phase of implementation. It was in that light that it would examine the Secretary-General's proposal for an "Umoja centre of excellence".

63. With regard to IPSAS, Japan stressed the importance of full preparation, including making sure that opening balances in IPSAS-compliant financial statements were correct. There should be close cooperation between the IPSAS and Umoja teams. While the expected increase in the number of audit reports would strengthen transparency and accountability in the Organization, the impact of that increase on the work of the Committee should be examined.

64. **Mr. Al Hajeri** (Kuwait) said that, as managing risk was particularly important in the work of the Organization, the Umoja risk management framework must operate properly, the managers of the project must be suitably qualified, so that the project could be delivered on time and within budget, and transparency, continuity and clarity must be considered vital. Umoja Foundation must be implemented properly.

65. Reaffirming his country's commitment to paying its contributions in full and on time, he urged other countries to do likewise. With regard to the contribution of the peacekeeping support account to the cost of implementing Umoja, referred to in the annexes to the fourth progress report (A/67/360), he recalled earlier statements made on behalf of the Group of 77 and China and of the Gulf Cooperation Council, and Kuwait's own firm position, against removing Member States from level C in the scale of peacekeeping assessments. Kuwait was investing heavily in modernization, and saw its reclassification as unacceptable.

66. **Mr. Kim** Seo Jung (Republic of Korea) said that the Umoja project, which his delegation strongly supported, would make the Organization more efficient, transparent and accountable. His delegation welcomed the strengthened governance arrangements for Umoja, as strong and accountable leadership would promote its success. However, it remained concerned at the delay in implementation and potential cost escalation resulting from the revised deployment strategy. Every effort should be made to ensure efficient and effective use of resources, and no further delays. Given the project's financial situation, it was critical that the Secretary-General ensure translation into action of his initiative to have individual departments absorb the indirect costs of implementing Umoja within their existing budgets.

67. **Mr. Lieberman** (United States of America) said that his delegation was encouraged by the signs that the Secretary-General and his senior management team were making concerted efforts to return the Umoja project to its intended course and ensure that its completion was aligned as closely as possible with its original timescale and budget. However, while it appreciated the technical progress made, it was concerned that the Organization itself was not ready to adopt Umoja, a consideration already identified by managers as the greatest risk of the project. The Secretary-General should continue his efforts not only to implement the technical aspects of Umoja, but also to ensure that all parts of the Organization understood that it was not simply an information technology project, but rather a business transformation project.

68. While full implementation of Umoja was in the interest of the Organization, the deployment strategy carried with it a further delay and a need for additional resources. Umoja Foundation must remain within its budget; once the final costs of Extension 1 and Extension 2 were known, his delegation would consider them carefully, with the goal of maintaining the envelope of resources already approved for the project. It looked forward to further details about the proposed handling of the preparatory activities and related costs connected with Umoja. The Secretariat should continue to implement the recommendations of the Board of Auditors in order to sustain the improvements in the management of the project, and the Member States should remain engaged and maintain their oversight of its implementation.

69. Umoja had implications not just for the Organization's business practices, but also for other important initiatives, including the adoption of IPSAS, a step critical to ensuring quality, comparability, credibility and transparency of financial reporting across the United Nations system. Noting that the Board of Auditors had identified risks associated with the introduction of IPSAS, his delegation wished to learn more about the transition to that new system in the context of the gradual implementation of Umoja.

70. **Mr. Saïronov** (Russian Federation) said that his delegation welcomed the introduction of IPSAS and the goals of improving quality, comparability, reliability and accountability in the accounts of the United Nations system, believing that the process would bring improved management and give the Secretariat and Member States a fuller picture of the Organization's financial situation. However, as the introduction of IPSAS was a substantial project affecting the whole Organization, its implementation should be complete and on time.

71. His delegation was preoccupied that, in the absence of Umoja, the source of input for IPSAS-compliant financial statements would be the legacy systems, calling into question the ability of the Secretariat and the Member States to profit fully from the new system. Clearly also, IPSAS would put to the test the completeness and accuracy of the

Organization's current system of accounts. Having referred frequently to the observations of the Board of Auditors regarding the recording of the Organization's assets, his delegation took the view that the Secretariat should complete improvements to the current system of accounts so as to avoid the transfer of any erroneous information to the new system.

72. The effect of the introduction of IPSAS on the work of the Fifth Committee, the Advisory Committee and the Secretariat departments should be carefully examined, given that IPSAS seemed to require the keeping of more detailed and regular accounts. Reports previously presented every two years would henceforth be presented annually and grow in volume, placing greater demands on the Secretariat and absorbing more of the time of the Fifth Committee and Advisory Committee than had been allocated in their existing programmes of work. His delegation would like more information from the Secretariat on such consequences.

73. As in the case of the introduction of IPSAS, the Organization, when implementing Umoja, must assess all risks, remain within the project's approved budget, and inform the Member States in a full and timely fashion of the project's progress. His delegation awaited further details of the revised deployment strategy, but was concerned at the prospect of having only the intermediate steps of the project complete by 2015, and at the cost overruns involved. It appeared that major risks attached to the project had not been considered, raising the prospect of greater costs to the Member States. Those failures of analysis were systemic, having been pointed out in connection with other major projects.

74. As the implementation of the project progressed, plans must be thoroughly considered, risks determined, and budgetary discipline improved. In order to avoid unpleasant surprises, there must be an effective arrangement for cooperation between the Secretariat and the Member States. In that connection, the reports of the Board of Auditors played an important role, and the Secretariat should take action to implement the Board's recommendations. He hoped that the Secretariat would use the lessons learned from the implementation of Umoja to avoid difficulties with major projects in the future.

75. **Mr. Soomro** (Pakistan) said that his delegation recognized the need for a sound information and communication technology infrastructure and supported the objectives of the Umoja project. However, it was aware of the concerns, highlighted by the Board of Auditors, regarding its history of setbacks and governance and leadership issues. It had noted the clarification from the Under-Secretary-General for Management that the Secretariat had accepted all of the Board's recommendations and taken remedial action. His delegation would like more precise details of that action, and of the outcome of the fundamental reassessment of Umoja's implementation.

76. His delegation would like assurances that the Secretariat would take full responsibility for, and ownership of, Umoja. In addition to resolving governance problems, the Secretariat must put in place credible implementation mechanisms. His delegation had noted the estimate of the financial value of Umoja's benefits, but would like to know on what basis they had been calculated. It would also like to know the estimated level of the indirect costs of the project. As the project carried a high level of risk, his delegation wished to know how that risk, and the Organization's operational readiness, would be affected by the revised deployment timetable.

77. **Mr. Takasu** (Under-Secretary-General for Management) thanked the Member States for their positive comments regarding Umoja, a core project for the Organization, and reiterated his full confidence in the new management team. He wished to clarify once again that the information in the report of the Board of Auditors related to the period up to April 2012, and that substantial action had been taken since then, as indicated in Annex I to the report of the Advisory Committee. With regard to organizational readiness, the Secretary-General had made a personal commitment to ensuring that all of the management staff involved in the implementation of the project were fully engaged. It should be remembered that senior managers had compacts with him. With regard to the specific questions posed by the delegations, including those relating to the quantification of the project's benefits, further information would be provided during informal consultations

The meeting rose at 12.35 p.m.

United Nations A/C.5/67/SR.15

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Summary record of the 15th meeting
Held at Headquarters, New York, on Wednesday, 21 November 2012, at 10 a.m.

Chair: Mr. Berger ..... (Germany)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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Agenda item 135: Human resources management

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The meeting was called to order at 10.15 a.m.

Agenda item 135: Human resources management
(A/66/327 and Add.1 and A/67/99 and Corr.1, 136 and Add.1, 171 and Corr.1, 306, 324 and Add.1, 329 and Add.1, 337 and Add.1 and 545)

1. **Mr. Takasu** (Under-Secretary General for Management), introducing the various reports of the Secretary-General on human resources management, said that the Secretary-General had submitted an overview of human resources management reform with one addendum (A/67/324 and Add.1). The overview report covered the entire range of reforms that had been endorsed by the General Assembly in its resolutions 63/250 and 65/247, including contractual arrangements; performance management and the e performance tool; management and leadership development; talent management and the talent-management tool, Inspira; and the young professionals programme.

2. Addendum 1 set out the Secretary-General's proposed framework for mobility and career development of internationally recruited staff in the United Nations Secretariat. The Secretary-General's goal was to build on the foundations already in place to deliver a more structured approach to mobility. However, the system of movements was currently ad hoc and depended solely on the selection of staff by individual hiring managers. Neither the Organization nor staff themselves benefited systematically from the opportunities that mobility should afford. It was therefore imperative to establish a framework for mobility that would enable the Organization to deploy a truly global, dynamic and adaptable workforce that could effectively respond to evolving operational needs.

3. Hardship duty stations continued to experience high vacancy rates, while staff serving at such locations remained there far too long. It was incumbent on the Organization to promote a more equitable sharing of the burden of service in difficult duty stations, and that could not be achieved without a new mobility policy.

4. The proposed mobility framework was based on the principle that, with few exceptions, all internationally recruited staff should move at regular intervals. A position change could involve one or a combination of the following: a change of role, a change of function, a change of department or a change of duty station. Internationally recruited staff would belong to one of a number of job networks, each of which would consist of a grouping of job families with closely linked mandates or programmes of work and that required similar skill sets. Responsibility for recommending selection and reassignment of staff would shift from hiring managers to job network boards. Recommendations at the D-1 and D-2 levels would be made by a single senior review board composed of Under-Secretaries and Assistant Secretaries General.

5. Under the proposed system, staff members would be responsible for initiating moves and would be expected to apply for posts prior to reaching the maximum position occupancy limit, which ranged from three to seven years, depending on the hardship classification of the duty station. A limited number of positions would be considered non-rotational and staff occupying such positions would not be subject to the mobility framework. Given that senior staff were expected to have broad experience in the Organization, a staff member would need at least one prior geographical move of one year or more to be eligible to progress to positions at the P-5, D-1 and D-2 levels.

6. With regard to the impact of the proposed framework on external recruitment, he noted that external candidates would be considered for a post only if there were no suitable internal candidates. External candidates, however, would continue to have opportunities to join the Organization as a result of staff separating, retiring or leaving, and they would continue to be recruited through the young professionals programme and at the senior levels. Non-rotational posts would also be open to external candidates with the requisite expertise.

7. There were costs associated with geographical mobility. However, even under the current ad hoc system, mobility-related expenditures were included under common staff costs. It was not anticipated that there would be a sudden increase in geographical moves and therefore costs. The phased implementation of the new framework by job network would enable the Organization to monitor and manage any increase in expenditures as each job network became operational beginning in 2015.

8. The proposed framework would require significant changes to current procedures, and much

preparatory work would be required in order to set up the new system. Management would continue to consult with staff throughout the preparatory process and report regularly to the General Assembly on progress made. Given that many elements of the system could not be developed until Member States had endorsed the proposed framework, the General Assembly was requested to approve the proposed mobility and career development framework set out in the Secretary-General's report.

9. The Secretary-General had also submitted a report on the composition of the Secretariat with a single addendum (A/67/329 and Add.1). The report focused on staff demographics, while the Addendum covered gratis personnel, retired staff, and consultants and individual contractors. The report of the Secretary-General in disciplinary matters and possible criminal behaviour for the period 1 July 2011 to 30 June 2012 (A/67/171 and Corr.1) provided information on all actions taken in cases of established misconduct and/or criminal behaviour and the disciplinary action and, where appropriate, legal action, taken in accordance with the established procedures and regulations, along with a broad overview of the administrative machinery in disciplinary matters. The Secretary-General's report on amendments to the Staff Rules (A/67/99 and Corr.1) contained the full text of new rules and amendments to existing rules that the Secretary-General proposed to implement as of 1 January 2013.

10. Lastly, he said that the Secretariat would not be able to submit a proposal for a comprehensive review of the system of desirable ranges, as requested by the Assembly in its resolution 65/247, until Member States provided clearer guidance on the range of staff members to be covered by the review. Once that guidance had been received, the Secretariat would formulate a revised approach as a matter of priority for the Assembly's consideration at its sixty-eighth session.

11. **Ms. Dubinsky** (Director, Ethics Office), introducing the Secretary-General's report on the activities of the Ethics Office (A/67/306), said that, during the reporting period, the Ethics Office had received 877 requests for its services. That figure represented an increase compared to the 766 requests it had received in the prior reporting period and could be attributed to the continuing importance of the Office as a secure and confidential resource for staff on matters related to ethics, values and organizational culture.

12. During the reporting period, the Ethics Office had continued to enhance its outreach, communication and education activities, and its staff had visited several field missions, including peacekeeping and special political missions. The Office had also strengthened its training programmes, launched a new public website and revised and expanded the United Nations ethics guide.

13. The Ethics Office had identified shortcomings in the United Nations policy on protection against retaliation, which was set out in ST/SGB/2005/21. In order to make the policy more robust and effective, the Office was conducting a comprehensive review of the existing policy, with a view to enhancing how the Organization encouraged the reporting of serious misconduct, protected whistleblowers from retaliation and intervened to prevent retaliation.

14. With regard to the Organization's financial disclosure programme, she said that, in the 2011 filing cycle, some 99.9 per cent of the staff members who had participated in the programme had complied with their filing obligations, representing the highest compliance level in the programme's history. In response to General Assembly resolution 66/234, the Secretariat had initiated a review of the regulatory framework of the financial disclosure programme and had taken measures to address and mitigate personal conflicts of interest. Such measures included providing information and guidance on managing conflicts of interest to staff during orientation and regular mandatory ethics workshops, as well as other training and briefing sessions.

15. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on human resources management (A/67/545), said that, although the Advisory Committee believed that a better managed organizational mobility programme could contribute to improving the delivery of mandates and respond better to the career aspirations of staff, it could not recommend approval by the General Assembly of the proposed mobility and career development framework in its current form The Advisory Committee was not convinced that the proposed framework fully addressed the problems it sought to resolve or that it would yield all the benefits identified by the Secretary-General. In addition, the Secretary-General's proposal were not sufficiently detailed. Accordingly, in its report, the Advisory

Committee highlighted the elements of the proposal that required further clarification, development and adjustment.

16. Bearing in mind the intention of the Secretary-General to begin implementation of the proposed framework on 1 January 2015, the Advisory Committee recommended that the General Assembly should request the Secretary-General to submit to it, for its consideration, as soon as possible and no later than at the main part of the sixty-eighth session, a comprehensive report on the proposed mobility and career development framework that addressed the issues raised by the Advisory Committee, including the need for more information and analysis to justify the move beyond a purely voluntary system towards a managed system of mobility.

17. That recommendation notwithstanding, the Advisory Committee was of the view that there was an urgent need to ensure a more equitable sharing of the burden of service in hardship duty stations, and that taking measures to ameliorate the situation was not contingent on the approval by the General Assembly of the Secretary-General's proposals. Accordingly, the Advisory Committee recommended that the General Assembly should request the Secretary-General, when making selection decisions, to give, with immediate effect, priority among internal candidates to staff who had served in hardship duty stations for long periods of time without being able to move, and to propose subsequently any additional measures he deemed necessary to address that situation.

18. With regard to the Secretary-General's overview of human resources management reform, he said that, while the Advisory Committee recognized the continuing efforts of the Secretary-General to address the issues raised by the General Assembly in its resolutions 63/250 and 65/247, much remained to be done. For example, with regard to staff selection and recruitment, the Advisory Committee was concerned that the 120-day target for filling a post had still not been reached. Any meaningful reduction in the time taken to recruit a candidate would only be achieved if the causes of those delays, particularly at the "recommendation of candidate" stage, were addressed and those responsible held accountable. The Advisory Committee therefore recommended that the General Assembly should request the Secretary-General to investigate the reasons for delays at each stage of the recruitment process and to propose appropriate measures to address the issues identified.

19. The Advisory Committee noted the Secretary-General's ongoing efforts to develop and implement measures to strengthen the performance appraisal system, and welcomed, in particular, the development of a rewards and recognition framework. However, it was concerned about the shortcomings identified in the current system of sanctions for underperformance and recommended that the General Assembly should request the Secretary-General to take, as a matter of priority, all necessary steps to address those shortcomings.

20. The Advisory Committee also recommended that the General Assembly should confirm the Secretary-General's understanding that placement of successful candidates from the young professionals programme should be made at the P-1 or P-2 level, depending on whether candidates' qualifications satisfied the requirements of the relevant job description and on the availability of posts. It also had no objections to the Secretary-General's proposal that the Assembly endorse the amendments to the learning and development component of the young professionals programme, or to the proposed continuation of the "G to N" arrangement. The Secretary-General's efforts to optimize the size of the national competitive recruitment examination roster were also appreciated.

21. Although the Secretary-General had made efforts to reach out to potential employees from unrepresented and underrepresented Member States, the Advisory Committee was of the view that those efforts had been ineffective. Accordingly, the Committee recommended that the General Assembly should request the Secretary-General to develop a comprehensive strategy to improve geographical representation, based on an in-depth analysis of the real causes of the current imbalances. The Secretary-General should submit substantive proposals to the Assembly in his next report on human resources management.

22. With regard to the system of desirable ranges, the Advisory Committee regretted that the Secretary-General had failed, on successive occasions, to respond appropriately to the request of the General Assembly that he present proposals for a comprehensive review of the system. The Advisory Committee believed that the requests contained in Assembly resolutions 63/250 and 65/247 provided sufficient guidance as to the

issues that should be addressed by such proposals, and therefore expected that the relevant proposals would be submitted as soon as possible, and no later than at the sixty-eighth session.

23. The Advisory Committee remained concerned that, although some progress had been made in respect of increasing the number of posts subject to the system of desirable ranges that were encumbered by staff having geographical status, a large number of such posts were not encumbered by those staff. The Advisory Committee therefore recommended that the General Assembly should request the Secretary-General to take substantive measures to address that issue.

24. The issue of liabilities from administrative service arrangements was a matter of serious concern that required immediate attention, particularly in view of the February 2012 decision of the International Court of Justice affirming the financial liability of an administering entity for administrative decisions taken in respect of staff members of an employing entity. The Advisory Committee therefore recommended that the General Assembly should request the Secretary-General to work with the entities concerned in order to amend all administrative service arrangements to ensure that the Secretariat, as the administering entity, could not be held financially liable for administrative decisions taken by employing entities.

25. Turning to the Secretary-General's report on the composition of the Secretariat, he said that, while the Advisory Committee welcomed the inclusion of commentary on demographic trends affecting the Secretariat, it believed that the Secretary-General could go further in his analysis by, for example, identifying the reasons for particular patterns, especially those emerging since the issuance of the previous composition report.

26. The Advisory Committee was dissatisfied with the format of the Secretary-General's report on amendments to the Staff Rules. It recommended that, in future, proposed amendments to rules and regulations, including the Staff Rules, be presented in such a way as to allow readers to compare them to the existing text, with both deletions and additions highlighted for ease of reference. In addition, with particular reference to the amendment to rule 4.12 on temporary appointments, the Advisory Committee emphasized the importance of ensuring that the rules and regulations of the Organization accurately reflected the language used in relevant resolutions of the General Assembly.

27. As for the financial disclosure programme, the Advisory Committee commended the Ethics Office for its efforts to ensure full compliance with the requirements of that programme and trusted that the Secretary-General would continue to encourage senior officials to participate in the voluntary public disclosure initiative. With regard to the Ethics Office's ongoing efforts to better determine the filing population based on the risk profile of the Organization, the Advisory Committee pointed out that any expansion of the filing population might have financial implications.

28. **Mr. Biraud** (Joint Inspection Unit), introducing the report of the Joint Inspection Unit on the review of the Medical Service in the United Nations system (A/66/327), said that the objective of the review had been to assess the manner in which medical services were provided, managed, supported and monitored in the United Nations system, with a view to proposing improvements that would enable the Organization to fulfil its duty of care for the health and safety of staff. That duty was of particular importance given the Organization's strategic decision to strive for greater staff mobility and to increase its field presence, and was of particular relevance to staff deployed at hardship duty stations.

29. Staff members were increasingly being deployed to field duty stations, many of which were located in areas where the health-care infrastructure, including that of the United Nations, was of less than the highest standard of quality. Accordingly, it was vital that the management and accountability framework of the Organization's clinics and dispensaries should be set out in clearly defined terms of reference, taking into account the inter-agency services those clinics and dispensaries were required to deliver. Although the Medical Services Division was nominally responsible for field medical services, it had no input with regard to the budgets and workplans of the field units, nor was it able to manage the performance of other service providers. The Organization should therefore devote due attention to improving the coordination of system-wide medical services.

30. Headquarters duty stations generally had the resources required to provide adequate medical

services. Nonetheless, several United Nations system organizations had indicated that there were insufficient resources for, inter alia, hiring additional medical service staff, improving service delivery, training medical service personnel, supporting health promotion programmes, creating databases, performing statistical analysis of work and responding to emergencies.

31. Although the United Nations had invested considerable resources in employing a large number of health-care personnel across the system, it had not yet created the structures required to oversee and manage those resources according to modern health-care standards. Recalling that the proposal of the United Nations Medical Directors Working Group for the adoption of an occupational safety and health policy had been endorsed by the High-level Committee on Management of the Chief Executives Board for Coordination (CEB), he said that the Unit recommended the creation of a system-wide network for coordinating occupational safety and health policy issues. Such a network, which should be modelled on the Inter-Agency Security Management Network, would monitor United Nations occupational safety and health policies, practices and procedures, and support the High-level Committee on Management in its review of the issues that pertained to the broader United Nations occupational safety and health structure.

32. Introducing the report on staff-management relations within the United Nations (A/67/136), he said that the review had been conducted in response to requests from both management and staff representatives. Rather than focusing on policies, the report examined how power was organized and shared between individuals and groups whose immediate interests might differ, but who wished to serve the Organization to the best of their ability.

33. In view of the striking diversity in staff-management relations within the United Nations system and the lack of an umbrella association that brought together the various staff representative bodies, it had been decided that the current report, which covered the period 2009-2011, would be confined to staff-management relations at the United Nations Secretariat. Another report covering staff-management relations at the specialized agencies would be submitted to the General Assembly at its sixty-eighth session. In accordance with article 11 of the Statute of the Joint Inspection Unit, no comment had been sought from CEB in connection with the current report because it focused on a single organization.

34. Although the Unit had found that the quality of staff-management relations varied widely, the experience of the United Nations Children's Fund had shown that excellent relations were possible under the United Nations Staff Regulations and Rules when a climate of trust prevailed. The inspectors had also analysed 30 years of reports of the former Staff-Management Coordination Committee, as well as the Organization's basic texts on staff-management relations, and made a number of suggestions to improve efficiency, based on best practices. Those recommendations were primarily aimed at the Staff-Management Committee and had been briefly discussed at its last session in June 2012; staff representatives had welcomed the report's recommendations and conclusions, while management representatives had been of the view that the issues raised seemed to be more complex than could be addressed by the Secretariat internally. As the terms of reference of the Staff-Management Committee called for it to agree upon and present a position to the General Assembly on issues outside the authority of the Secretary-General, the Assembly might be interested to learn what position the Staff-Management Committee had taken with regard to the report's six recommendations.

35. He briefly outlined each of the report's chapters and its recommendations, including recommendation 5, which called for a new staff regulation to be submitted to the General Assembly recognizing the right of United Nations staff to collective bargaining, a principle that the Organization had implicitly recognized in General Assembly resolution 128 (II) and which it promoted in the private sector by including it among the ten principles of the Global Compact. The budgetary crisis faced by the United Nations meant that it was more important than ever to involve staff in decisions that affected their conditions of service and to encourage them to be part of the solution.

36. Turning to the report on the management of sick leave in the United Nations system (A/67/337), he said that the Unit's goal had been to review the manner in which organizations recorded, managed and reported sick leave and propose improvements that would

enable them to clarify, improve and harmonize the rules and regulations pertaining to sick leave, prevent abuse and, more importantly, fulfil their duty of care with regard to the health and safety of staff.

37. With the decision of the CEB members to adopt an occupational safety and health policy for their respective organizations, and the corresponding paradigm shift whereby emphasis was placed on prevention rather than cure, organizations' occupational health services would be required to focus on the medical aspects relating to sick leave, including the compilation of relevant statistics. Medical services should not be managing sick leave; a medical professional should instead be assigned to human resources to monitor and approve sick leave requests.

38. The inspectors had found that, on average, staff at United Nations system organizations did not take as much sick leave as their counterparts in the public services of national Governments. However, it was not possible to state with certainty the cost of sick leave for organizations as the majority did not collect statistics on sick leave. Even among those organizations that collected such statistics, the data were not comparable owing to the different methodologies used. In addition, many organizations did not include indirect costs in their calculations.

39. A proactive sick leave policy would enable United Nations system organizations to fulfil their duty of care towards staff. According to one study, it was estimated that a one per cent increase in absenteeism was equivalent to a one per cent increase in salary costs. Such a finding underscored the need to enforce, through proper management, the existing rules and regulations on sick leave.

40. Under the International Public Sector Accounting Standards, which the United Nations system organizations had agreed to adopt in 2006, paid sick leave was assigned a financial value. However, the United Nations Task Force on Accounting Standards had not yet agreed on policy guidance for sick leave. It was recommended that managers and supervisors be formally trained on how to respond to the needs of staff members who had medical issues, including mental health issues, that might affect their performance and lead to prolonged absences. Accordingly, executive heads were requested to design and implement a return-to-work policy for staff members on extended sick leave.

41. Maintaining a healthy working environment was essential to reducing medical absenteeism. Organizations were therefore requested to consider incorporating health and productivity management modules into the workplace.

42. **The Chair** drew attention to the Secretary-General's notes transmitting his comments and those of CEB on the reports of the Joint Inspection Unit on, respectively, the review of the Medical Service in the United Nations system (A/66/327/Add.1), staff-management relations within the United Nations (A/67/136/Add.1) and management of sick leave in the United Nations system (A/67/337/Add.1).

43. **Ms. Analena** (United Nations Staff Union) said that United Nations staff members, with the exception of those serving in New York, supported the Secretary-General's proposed framework for mobility and career development. The job network boards that would be created under the proposed framework would break the stranglehold hiring managers had on selection and reassignment, and ensure that staff were recognized for their skills, competencies and experience. The proposed framework would also increase the accountability of the Secretary-General to the General Assembly and allow human resources management to take place at a more strategic level.

44. Staff should be represented in the job network boards, just as they were in other international organizations. The available data indicated that the inclusion of staff representatives reinforced staff members' confidence in the system, thereby reducing the risk of litigation, which was a source of concern for many delegations. A structured mobility system would also facilitate career planning, something that would not be possible under a system in which all positions were open to all staff members. However, in the interests of fairness, staff should not be expected to make at least one geographical move in order to be eligible to progress to positions at the P-5 level, particularly if external candidates were not subject to that requirement.

45. The Staff Union believed that the General Assembly should recognize the valuable outcome of the negotiations between the Secretary-General and staff. Failure to adopt the proposed framework would send the message to staff that the Secretary-General

lacked administrative authority and that those who negotiated on his behalf had no mandate.

46. With regard to staff-management relations, she said that the Staff Union fully supported the conclusions of the Joint Inspection Unit, particularly with regard to collective bargaining rights. She called on the General Assembly to adopt a resolution recognizing the right of United Nations staff to collective bargaining, as set out in Assembly resolution 128 (II) and the relevant International Labour Organization treaties.

47. Lastly, the Staff Union was of the view that the cost of staff legal services should be borne by the Organization. Under the current system of administration of justice, management could draw on the regular budget to pay for lawyers' fees, while staff were forced to rely on the Office of Staff Legal Assistance, which had limited resources at its disposal. If, however, Members States insisted that staff members should pay for their own legal representation, then the United Nations Dispute Tribunal and the Appeals Tribunal should be allowed to award the costs of such representation to those staff members who won their cases.

48. **Mr. Benmehidi** (Algeria), speaking on behalf of the Group of 77 and China, said that the effective delivery of United Nations mandates hinged on the quality of its staff and the availability of resources. The Group therefore supported all reform measures aimed at ensuring that the Organization had a highly motivated, diverse and dynamic workforce.

49. The Group regretted that the Secretary-General had once again not responded to the General Assembly's request for a comprehensive review of the system of desirable ranges. The lack of a response was particularly disturbing given that the original request had been made four years earlier. The Group reiterated its request to the Secretary-General to intensify his efforts to achieve equitable geographical distribution and gender balance. It also stressed the need for greater representation of developing countries, particularly in senior management and at Headquarters, and was gravely concerned about the decrease in the proportion of staff from developing countries serving at the Professional level and above.

50. The proposed mobility and career development framework was complex and raised a number of questions. The Group looked forward to developing a better understanding of the proposal and its implications for the Organization, including with respect to how effective the system would be in achieving its stated goals; how it would contribute to more equitable geographical representation, especially at the senior level; its potential impact on existing recruitment and selection systems; the relative advantages and disadvantages of voluntary and mandatory mobility systems; the impact of the proposed mobility framework on job stability and contractual arrangements; the financial costs of mobility, including hidden and indirect costs; and how knowledge management practices would be strengthened to ensure retention of institutional knowledge.

51. Any mobility policy adopted by the General Assembly must avoid the problems that had plagued other transformational projects, including the absence of a clearly defined end-state vision, uncertain and spiralling costs, and lack of transparency and accountability. Regular reviews must also be conducted, in order to ensure that the framework was being implemented in a manner that was in line with the original objectives.

52. Transparency, particularly in staff selection, was of vital importance in relation to mobility. For instance, the discriminatory treatment of external candidates, which had been recently abolished by the General Assembly, must not be reintroduced. It was also important to ensure that management treated all staff members with the utmost dignity and transparency, while fully respecting the terms of contracts.

53. Although a mobility policy could not be implemented overnight, it was possible to rapidly put in place certain measures that would encourage mobility and set the stage for broader reforms in the future, such as the abolition of the practice of placing a lien against a post. Mobility was not an end in itself; it must be linked to the Organization's strategic objectives. It was also not the only important area of human resources management that needed to be addressed. Equal or even greater attention must be devoted to, inter alia, long-term workforce planning, responsiveness in staff selection and recruitment, and equitable geographical representation and gender balance.

54. **Ms. Pakarati** (Chile), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that CELAC understood that delivering on the mandates entrusted to the United Nations around the world required a global, dynamic and adaptable workforce. It that connection, she stressed the importance of the dialogue the Secretary-General had conducted with staff representatives with a view to finding a balance between the needs of the Organization and the legitimate expectations of its employees.

55. She noted with concern that, despite the Secretary-General's efforts, equitable geographical distribution, particularly at the senior level, had not been achieved. The Secretary-General was urged to intensify his efforts to achieve equitable geographical distribution and gender balance of staff, as mandated by the General Assembly. In that connection, CELAC was deeply concerned that the Secretary-General had once again failed to respond to the request of the General Assembly to present proposals for a comprehensive review of the system of desirable ranges.

56. CELAC supported the concept of staff mobility, as that would help the Organization to deliver its mandates and allow staff to benefit systematically from the opportunities that mobility afforded. However, it was very difficult to visualize fully the impact of the proposed mobility framework on the Organization's ability to fulfil its mandates. CELAC would therefore seek further information on several aspects of the Secretary-General's proposal, including its potential impact on equitable geographical distribution and its financial implications.

57. **Mr. Hagmann** (Switzerland), speaking also on behalf of Liechtenstein, said that a more systematic approach to promoting increased mobility would allow the Organization to better respond to changes in staffing needs and deliver on its mandates. A mobility framework should ensure equal opportunity for all staff members and help to break down the silos that tended to characterize the Organization's working culture.

58. The Secretary-General's proposal for a mobility and career development framework contained a number of interesting elements; however, the proposal was not sufficiently detailed and many aspects, both quantitative and qualitative, needed to be clarified or refined further. Questions remained regarding the incentives that could be used to encourage not only functional but also geographical mobility; how to strengthen the link between geographical mobility and career development; the financial implications; the anticipated return on investment; and how the framework could be integrated with the various talent management reforms already under way, including in relation to workforce planning.

59. The delegations believed that the General Assembly could approve some of the principles pertaining to the modalities of the mobility framework, in order to give the Secretary-General some guidance, and endorse, in principle, implementation of the framework on 1 January 2015, subject to the resolution of the issues identified by the Advisory Committee.

60. **Mr. Stojanovski** (Australia), speaking also on behalf of Canada and New Zealand, said that the three delegations supported increased mobility within the Organization. Mobility allowed staff to benefit from new experiences and gain fresh insights, and helped improve morale and performance. A mobility framework would also enable the Organization to make better use of human and financial resources by, inter alia, filling positions at duty stations with high vacancy rates and promoting a more equitable sharing of the burden of service in difficult duty stations. Given that the United Nations most salient and recognizable work was in the field, it was important that, in addition to broad professional expertise and skills, which could be developed in different duty stations and field offices, all staff members had experience in the field and a good understanding of field operations.

61. The proposed framework was a good basis for building an effective mobility policy, especially as it had been endorsed by the majority of the staff unions. While they recognized that the proposal was intentionally broad and that the details still had to be worked out, the three delegations would nonetheless welcome more information on how the policy would be implemented. For example, they wished to know what would be the role of staff representatives on the job network boards; what administrative remedies would be available to staff members who disagreed with the boards' decisions; what effect the framework would have on applications from external candidates; and what were the estimated future costs of the policy.

62. **Ms. Power** (Observer for the European Union), speaking also on behalf of the acceding country

Croatia; the candidate countries Montenegro, Serbia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process country Bosnia and Herzegovina; and, in addition, Liechtenstein and the Republic of Moldova, said that her delegation welcomed the Secretary-General's proposals on managed mobility and the progress made towards consolidating past reforms and creating a global, dynamic and adaptable workforce. Nonetheless, some basic human resources management challenges needed to be addressed. In particular, her delegation was concerned that the Organization was not moving rapidly enough in granting continuing contracts. Despite the efforts made to improve performance management through such initiatives as the rewards and recognition framework, more needed to be done to tackle underperformance and to encourage staff and managers to adopt the new approaches aimed at improving performance. Similarly, her delegation remained concerned about the amount of time taken to recruit staff and the ongoing gender imbalance within the Secretariat. She trusted that the latter would be addressed in the Secretary-General's comprehensive strategy to attract and retain women.

63. The European Union supported the Secretary-General's proposed framework for mobility and career development. A better managed mobility programme had the potential to contribute to the delivery of mandates and to respond better to staff members' career aspirations. However, any mobility programme should take into account budgetary constraints and existing mobility patterns. She echoed the Advisory Committee's call for further details on the financial implications of the proposed framework and its impact on externally recruited candidates, as well as on the role of staff representatives in the decision-making structures, which seemed to allow for an inappropriate level of staff involvement. In that connection, workforce planning should be used to provide a thorough evaluation of staffing needs, rather than focusing strictly on retirement forecasting.

64. **Mr. Sinhaseni** (Thailand) said that, while his delegation appreciated the progress made by the Secretariat with regard to human resources management reform, steps should be taken to enhance recruitment and staff selection procedures further, in order to ensure transparency and accountability and to address the high vacancy rates at many duty stations. Greater efforts should also be made to ensure gender parity and to promote the advancement of women, especially to senior positions.

65. He welcomed the initiatives to promote greater mobility among the United Nations workforce and expressed the hope that current and future initiatives would help the Organization to realize the potential benefits of mobility. There were some 30 United Nations offices in Thailand that would benefit directly and indirectly from the mobility framework. However, for the policy to be truly successful, it should be implemented in manner and at a pace that was acceptable to all parties. A cost-benefit analysis should also be carried out, in order to ensure that the proposed framework would not create a heavy financial burden for the Organization.

66. **Mr. Sul** Kyung-hoon (Republic of Korea) said that, while progress had been made towards streamlining contractual arrangements and harmonizing service conditions, much remained to be done before the human resources reform process was complete. Using new technology and software, such as Inspira, to improve forecasting of staffing requirements would not only help the United Nations implement its mandates, but also further staff members' career development. Despite having allocated some $89 million for the biennium 2012-2013, the Organization still lacked monitoring and oversight systems to evaluate the results of training; the enterprise learning management module of Inspira should be used to promote the direct link between learning and career development. His delegation agreed with the Advisory Committee that the effective integration of Inspira and Umoja was key to the development of an efficient, responsive and comprehensive system for the management of the Organization's human resources, particularly in the critical area of workforce planning. His delegation also shared the concerns of the Advisory Committee that the lack of information on the impact of the human resources management reform efforts could delay the decision-making process and thereby hinder those efforts.

67. His delegation welcomed the Secretary-General's efforts to strengthen the performance appraisal system and would appreciate further information on the rewards and recognition framework that had been developed. However, it was concerned that the lack of sanctions for underperformance would have a negative impact on staff morale and productivity, and urged the Secretariat to take more proactive measures to address

shortcomings in that regard. Noting that the recruitment process of the young professionals programme had been shortened by two months for those candidates who had succeeded in the recruitment examination, he said his delegation would seek to learn whether the programme had helped to alleviate inequitable geographical representation within the Secretariat.

68. With regard to mobility, he said that, despite the failure of the voluntary mobility scheme, both Member States and staff recognized its importance. The Secretary-General's proposal should be reviewed carefully and he should provide further details with regard to its scope and how the burden of service in difficult duty stations would be shared. The minimum occupancy limit of one year was not long enough to allow staff to reach their full potential. His delegation also shared the concerns of the Advisory Committee with regard to the composition of the job network boards and the impact of the proposed framework on external applicants. The Secretariat should also provide detailed estimates of the direct and indirect costs of the scheme.

69. **Mr. Al-Yaqout** (Kuwait) said that, in his report on the composition of the Secretariat and staff demographics, the Secretary-General indicated that a number of Member States, including Kuwait, were unrepresented. Although his Government had nominated several qualified candidates to fill vacant posts, none of them had been appointed. Additional measures should therefore be taken in order to increase the employment opportunities available to the nationals of unrepresented countries.

70. **Mr. León González** (Cuba) said that such goals as the highest standards of efficiency, competency and integrity were frequently mentioned when discussing human resources management. There were, however, other important goals, such as equitable geographical distribution and gender balance in the Secretariat, that were far from being achieved. In that connection, his delegation supported the recommendations set out in paragraphs 49 and 54 of the Advisory Committee's report on human resources management (A/67/545). It also reiterated the requests made by the General Assembly in its resolutions 63/250 and 65/247 that the Secretary-General should submit concrete proposals to improve geographical representation.

71. The Secretary-General's proposed mobility framework raised a number of concerns. His delegation would therefore welcome more detailed information on the financial and budgetary implications of the Secretary-General's proposal. The proposed framework also raised the question of whether mobility should be voluntary or mandatory. His delegation was of the view that the Secretariat should focus its efforts on developing a voluntary mobility policy, as called for by General Assembly in its resolution 63/250. Lastly, his delegation agreed with the Advisory Committee that the proposed mobility framework should not serve as yet another obstacle to geographical diversity and gender parity in the Secretariat.

72. **Ms. Yajima** (Japan) said that, although her delegation welcomed the Secretary-General's proposed mobility framework, it shared the Advisory Committee's concerns regarding the potential effect of the current proposal on external recruitment and, by extension, on merit-based selection, geographical representation and gender balance. It was vitally important that the Organization should be able to recruit new talent from around the world in order to create a global, dynamic and adaptable workforce. She therefore trusted that the Secretary-General would submit a detailed accounting of the full costs of the proposed framework, to supplement the indicative costs provided in his report. Her delegation concurred with the Advisory Committee on the importance of a robust monitoring mechanism to track the actual costs of the framework.

73. In order to improve human resources management and staff productivity, a balance had to be struck between sanctions and rewards for performance. Her delegation was therefore concerned about the shortcomings of the current system of sanctions for underperformance and requested the Secretary-General to take appropriate measures to address those shortcomings and report on results achieved in his next report on human resources management. Speeding up the recruitment process was an important aspect of ensuring timely and flexible human resources management. Her delegation therefore appreciated the Secretariat's efforts to streamline the young professionals programme and trusted that rostered candidates would be recruited promptly. Lastly, as an underrepresented country, Japan echoed the Advisory Committee's call for the Secretary-General to develop

a comprehensive strategy to improve geographical representation.

74. **Mr. Khan** (Pakistan) said that, although his delegation supported the overarching goal of the reform of human resources management, much work remained to be done with regard to achieving equitable geographical distribution. Despite the benefits that had resulted from recent reforms, it was widely agreed that human resources management at the United Nations continued to suffer from fundamental deficiencies, including, inter alia, a flawed, inadequate and time-consuming recruitment and selection system that lacked transparency and failed to address the Organization's current and future needs; inadequate strategic and workforce planning; underrepresentation of a large number of developing countries at the Professional and senior levels; lack of opportunity for career development, particularly for staff from developing countries; lack of incentives for geographical mobility; the absence of a well-defined accountability framework and mechanisms to monitor the implementation of General Assembly resolutions and the attainment of the targets identified in the human resource scorecards for senior managers; inadequate information technology support for human resources management; and a lack of clarity regarding the improvements that Umoja would bring.

75. The world had changed since 1960, when the system of desirable ranges had been established in order to measure progress towards equitable geographical distribution. While there had been reforms in many other areas of human resources management, it was hard to believe that the system of desirable ranges, which was one of the most important elements of human resources management, had remained unchanged. The General Assembly had provided the Secretary-General with the clear guidance he needed to present proposals for a comprehensive review of the system. While the introduction of changes to the system was a complex issue, it was by no means an impossible task. In fact, the Organization had successfully addressed much more complex problems, such change management and other major business transformation projects.

76. His delegation was concerned that of the 33,971 persons who had applied to the young professionals programme, only 96 had succeeded in the 2011 recruitment examination. In that connection, it would welcome information on any decrease in the number of unrepresented and underrepresented countries subsequent to that examination.

77. The Secretary-General's proposed framework for mobility and career development was a testament to his commitment to transforming the United Nations into a field-oriented Organization, in conformity with the purposes and principles of its Charter. In that connection, his delegation supported all measures aimed at ensuring equitable sharing of the burden of service in difficult duty stations.

78. Despite its merits, there were several deficiencies in the Secretary-General's proposal, including a lack of sufficient details to justify a shift from voluntary to managed mobility; a lack of reliable data on current patterns of staff mobility; inadequate explanation of how the proposed mobility policy would provide opportunities for staff in the Field Service category to serve at Headquarters duty stations; and a lack of information on the impact of the proposed framework on the current staff selection system. The proposal also failed to address the treatment of external candidates, advertisement of positions, geographical representation and gender balance, nor did it provide a detailed accounting of the full costs of the mobility framework or clear performance indicators.

79. The proposed mobility framework should not result in multiple recruitment processes with every geographical or functional move. Given that the selection and recruitment process was already slow and time-consuming, the introduction of additional screening processes with every move would unnecessarily delay filling positions, increase vacancy rates and have financial implications.

80. The first steps that must be taken in the implementation of any mobility policy were to ensure a more equitable sharing of burden of service in hardship duty stations, abolish the practice of placing a lien against a post and give priority to candidates who had served in hardship duty stations for long periods.

81. His delegation supported the continuation of the existing eligibility criteria for recruitment and selection, including relevant qualifications, experience and skills, as well as gender and geographical benchmarks. It would not accept a mobility policy that reintroduced discriminatory treatment of external candidates because that would have an adverse effect on merit-based selection, geographical representation and gender balance in the Organization.

82. **Mr. Lieberman** (United States of America) said that his delegation fully supported the goals of the Secretary-General's mobility policy and agreed that the proposed framework could be an effective tool in achieving those goals. However, the Advisory Committee had found that key elements of the policy were not well defined. The Committee should therefore examine the issues that had been raised by the Advisory Committee, in particular the financial implications of mobility and its impact on recruiting external candidates, in order to further develop the policy. An effective mobility policy should be part of a broader package of management and human resources reforms, including a performance management system that effectively promoted and rewarded high performance and removed the small number of staff who failed to meet performance standards.

83. He remained concerned about perennial challenges to staff-management relations. Although it was crucial that the Secretary-General consult with staff on matters related to human resources management policies and staff welfare, management decisions were ultimately the responsibility of managers, subject to the oversight and authority of the General Assembly. The Secretary-General's actions and proposals were therefore expected to reflect what he considered to be the best interests of the Organization. Given that effective management decision-making within the Organization was already hampered by diffuse authority and political pressure from all directions, his delegation could not support a framework that diluted managers' authority further and weakened accountability for their decisions. Although ongoing and sincere consultations between senior managers and staff representatives were vital, it was in the interests of the United Nations and its staff to ensure that there was no ambiguity with regard to the accountability of the chief administrative officer or the authority of the Member States.

84. **Mr. Ang** (Singapore) said that his delegation welcomed the Secretary-General's efforts to reform the Organization's outmoded human resources polices and to create a better work environment for staff members. Workforce planning and monitoring functions should be strengthened within the United Nations in order to ensure the optimal deployment of its limited resources. Although efforts had been made to develop a coherent succession planning policy, a more holistic strategy was required. His delegation agreed with the Advisory Committee that more could be done to forecast staffing requirements for the major occupational groups. That observation took on greater relevance in view of the Secretary-General's proposed mobility framework; the successful implementation of any mobility policy would be largely contingent on improved forecasting of future staffing requirements, as decisions about where staff would be best placed to serve the Organization could only be made if needs were clearly defined.

85. Although some measures had been taken to ensure more equitable geographical distribution in the Secretariat, they did not address the root of the problem. It was therefore regrettable that the Secretary-General had again failed to submit proposals for a comprehensive review of the system of desirable ranges. The Secretary-General should submit such proposals as soon as possible and step up his efforts to achieve greater gender balance in the Secretariat, particularly at the senior levels. Lastly, while his delegation supported the principle of mobility, it believed that the Secretary-General's proposal was not sufficiently detailed in many important aspects, including the list of rotational and non-rotational positions, the configuration of the job networks and cost implications. It was also unclear whether the proposed framework would resolve issues such as equitable sharing of the burden of service in difficult duty stations. The Secretary-General should therefore review his proposal, as implementing an incomplete policy prematurely could lead to serious staffing problems.

86. **Mr. Chumakov** (Russian Federation) said that human resources management policies were key to the reform of United Nations governance. Proposals in that regard should be aimed at improving the effectiveness of the staffing policy, meeting the Organization's needs for qualified staff and ensuring the successful and efficient functioning of the Secretariat, all within the financial means of Member States. His delegation would therefore consider carefully the Secretary-General's proposals in the context of prior General Assembly resolutions on staffing reform. Although Member States had expended a great deal of effort in order to reach an agreement on staffing policy reforms, those reforms had had insufficient quantitative impact on hiring. A more detailed analysis of the impact of reforms on staff productivity was also needed.

87. With regard to mobility, his delegation agreed that staff training should be improved and the burdens shared fairly between staff at Headquarters and those in the field. Nevertheless, it was important to reach agreement on a model that would not result in chaos; the continuous movement of staff was not an end in and of itself. The various proposals for developing mobility should be studied thoroughly with a view to determining whether staff would be able to adapt to different roles or duty stations, and whether they would be able to effectively carry out their duties. Recalling that the Secretary-General's prior proposals on mobility had either been rejected by Member States or had failed to achieve their goals, he said that the Committee had a duty to avoid making the same mistake. Moreover, the Secretary-General had not submitted proposals aimed at encouraging the voluntary mobility of staff, as called for by the General Assembly in its resolution 63/250.

88. Similarly, related staffing policy priorities should also be borne in mind. His delegation was concerned that the mobility policy could affect equality between internal and external candidates for vacancies. The Secretary-General's proposal raised many questions, including, whether the Organization wanted to strengthen the concept of a United Nations career employee, what was the difference between a career and a temporary employee, how could the Organization ensure the most appropriate performance review mechanism, what would happen to underperformers, how could line managers take responsibility for the work of their units when staffing decisions were made by reassignment boards, how could the internal justice system be spared a flood of applications from staff concerning mobility decisions they considered to be unfair, and what were the financial implications. It had taken three years to develop proposals and to reach an agreement between the Secretary-General and staff. Given the many concerns and questions raised by Member States, his delegation doubted that the Secretary-General would be able to resolve all matters prior to the sixty-eighth session of the General Assembly.

89. Although the Secretary-General's efforts to increase the representation of women and ensure wider geographical representation were welcome, they should not overshadow the key priority set out in the Charter of selecting the most qualified candidates. As staff were categorized on the basis of contractual status, it was justifiable to make distinctions between their selection requirements. Those distinctions should be taken into consideration when examining all the possible alternative systems for calculating geographical quotas.

90. **Mr. Kohona** (Sri Lanka) said that his delegation strongly supported the Secretary-General's efforts to improve human resources management because it believed that any measure aimed at making the Organization more effective and efficient was to the benefit of all Member States. In that connection, he noted that mobility should be view as a human resource management tool that could improve the functioning of the United Nations while serving the interests of its staff. The proposed mobility framework should take into account all relevant provisions of the Charter of the United Nations and ensure adequate geographical representation and gender equality at all levels in the Organization. His delegation was of the view that mobility would help to reduce the prevailing high vacancy rates, particularly in difficult duty stations. However, it was concerned about the distribution of vacancies among internal and external candidates; while it was important to bring in fresh blood and ideas, existing staff members should be treated with respect and dignity.

The meeting rose at 1.05 p.m.